

PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE

12-0200R

RESOLUTION AUTHORIZING A FIRST AMENDMENT TO THE  
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM  
DULUTH ENERGY EFFICIENCY PROGRAM AGREEMENT WITH  
EQUILIBRIUM3, CONTRACT NO. 21180, RESOLUTION NO. 09-  
0755, EXTENDING THE TERM AN ADDITIONAL 6 MONTHS

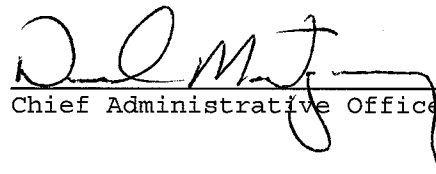
CITY PROPOSAL:

RESOLVED, that the proper city officials are authorized to enter into a first amendment to an agreement, substantially in the form of that on file in the office of the city clerk as Public Document No. \_\_\_\_\_, to the CDBG program to assist income-eligible homeowners to complete home energy audits, weatherize and make other energy improvements to their homes with Equilibrium3, extending the term of the agreement to September 30, 2012.

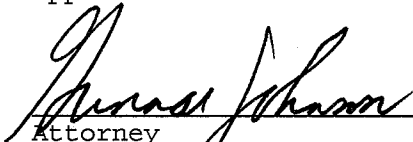
Approved:

  
\_\_\_\_\_  
Department Director

Approved for presentation to council:

  
\_\_\_\_\_  
Chief Administrative Officer

Approved as to form:

  
\_\_\_\_\_  
Attorney

Approved:

  
\_\_\_\_\_  
Auditor

CD KO:bel 04/09/2012

STATEMENT OF PURPOSE: The purpose of this resolution is to extend the term of a CDBG agreement with Equilibrium3 to manage a program assisting low and moderate income homeowners to complete home energy audits, weatherize and make other energy improvements to their homes. This program is known as "DEEP",

the Duluth Energy Efficiency Program. Equilibrium3 works closely with homeowners through the entire process, from arranging home audits, prioritizing improvements, helping owners take advantage of loans and grants, securing certified contractors, to providing rebates for eligible energy improvements.

The start of DEEP was delayed by over a year due to lengthy contract negotiations with the State of Minnesota for additional funds provided by the Division of Energy Resources. Once the project was underway, DEEP was again delayed due to the shutdown of state government during the summer of 2011, which coincided with the primary construction season in Duluth. Therefore, Equilibrium3 was unable to meet the original timeline in completing the CDBG contract. The Division of Energy Resources is also extending the term of the State of Minnesota's contract for the expenditure of state funds.

**2010 CDBG PROGRAM  
DULUTH ENERGY EFFICIENCY PROGRAM  
EQUILIBRIUM3  
AGREEMENT NO. 21180  
FIRST AMENDMENT**

THIS AMENDMENT is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2012, by and between the City of Duluth (the City) and Equilibrium3 (the Agency).

WHEREAS, on April 7, 2010, the City entered into an agreement with the Agency pursuant to which the Agency will use CDBG funds to assist income eligible homeowners to complete home energy audits, weatherize and make other energy improvements to their homes; and

WHEREAS, the parties desire to amend the agreement to extend the term of the Agreement to September 30, 2012 (the agreement and amendment hereinafter referred to as the Agreement).

NOW, THEREFORE, the parties do mutually agree as follows:

1. Paragraph 4 is hereby amended to extend the term of the Agreement through September 30, 2012, unless sooner terminated as provided for in the Agreement. Notwithstanding the above, the term of this Agreement may be extended for an additional six (6)-month period upon the prior written approval of the manager.
2. Except as provided in this Amendment, all terms and provisions of the Agreement shall remain in force and effect.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above shown.

CITY OF DULUTH

EQUILIBRIUM3

\_\_\_\_\_  
Mayor

By \_\_\_\_\_  
Its \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

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City Attorney

COUNTERSIGNED:

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City Auditor

THIS AGREEMENT DRAFTED BY:

Karen Olesen  
Senior Planner  
407 City Hall  
Duluth, MN 55802